

FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

January 31, 2007

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

DreamBox USA Attn: Carl W. Struckmeyer 100 Dawnbrook Lane Williamsville, NY 14221

Re: File No. EB-05-SE-174

Dear Mr. Struckmeyer:

This is an official **CITATION**, issued pursuant to Section 503(b)(5) of the Communications Act of 1934, as amended ("Act"), 47 U.S.C. § 503(b)(5), for marketing an unauthorized radio frequency device in the United States in violation of Section 302(b) of the Communications Act, 47 U.S.C. § 302a(b), and Section 2.803 of the Commission's Rules ("Rules"), 47 C.F.R. § 2.803. As explained below, future violations of the Commission's rules in this regard may subject your company to monetary forfeitures.

The Spectrum Enforcement Division ("Division") of the Commission's Enforcement Bureau received a complaint alleging that DreamBox USA was importing and marketing unauthorized direct broadcast satellite receivers, the DreamBox DM500-S ("DM500-S") and the DreamBox DM7020-S ("DM7020-S"). On several occasions, Division staff visited the DreamBox USA web site, www.dreamboxusa.com, and observed that both the DM500-S and the DM7020-S receivers were being marketed.

On April 19, 2006, the Division issued a Letter of Inquiry ("LOI") to DreamBox USA seeking information concerning its importation and marketing of the devices. In your response dated May 13, 2006, you acknowledged marketing the DM500-S and DM7020-S receivers. Additionally, you identified One-O-One iSolutions ("One-O-One"), a company based in Cupertino, California, as your distributor of these receivers.

¹ Letter from Kathryn S. Berthot, Deputy Chief, Spectrum Enforcement Division, Enforcement Bureau, Federal Communications Commission to DreamBox USA (April 19, 2006).

² Letter from Carl W. Struckmeyer to Brian Butler, Assistant Chief, Spectrum Enforcement Division, Enforcement Bureau, Federal Communications Commission (May 13, 2006).

Your response failed to indicate whether the DM500-S and DM7020-S receivers met the Commission's requirements for either certification³ or Declaration of Conformity,⁴ as required by Section 15.101(a) of the Rules, 47 C.F.R. § 15.101(a). You stated that these receivers have been imported for years and that you were "under the understanding from the distributors that they meet all of the rules and regulations." You added that you do not have or know of "any certificates required to re-sell these receivers."

On October 2, 2006, the Division issued an LOI to One-O-One, seeking further information regarding its distribution of the DM500-S and DM7020-S receivers. In its response dated November 5, 2006, One-O-One included a Declaration of Conformity test report for the DM500-S. One-O-One did not provide a test report for the DM7020-S receiver, and added that to the best of its knowledge, "there is no FCC certificate available for the DM7020-S."

Sections 2.936, 2.1076 and 15.29 of the Rules, 47 C.F.R.§§ 2.936, 2.1076 and 15.29, require that documents and/or test samples demonstrating equipment compliance be provided to the Commission upon reasonable request. Neither DreamBox USA nor One-O-One has provided documentation or other proof indicating that the DM7020-S receiver complies with either the Declaration of Conformity or certification requirements for television interface devices as specified in Section 15.101(a) of the Rules. Therefore, we conclude that the DM7020-S receiver is an unauthorized device.

Section 302(b) of the Act provides that "[n]o person shall manufacture, import, sell, offer for sale, or ship devices or home electronic equipment and systems, or use devices, which fail to comply with regulations promulgated pursuant to this section." Section 2.803(a) of the Commission's implementing regulations provides that:

no person shall sell or lease, or offer for sale or lease (including advertising for sale or lease), or import, ship, or distribute for the purpose of selling or leasing or offering for sale or lease, any radio frequency device unless: (1) In the case of a device subject to certification, such device has been authorized by the Commission in accordance with the rules in this chapter and is properly identified and labelled as required by § 2.925 and other relevant sections in this chapter; or (2) In the case of a device that is not required to have a grant of equipment authorization issued by the Commission, but which must comply with the specified technical standards prior to use, such device also complies with all applicable administrative (including verification of the equipment or authorization under a Declaration of Conformity, where required), technical, labeling and identification requirements specified in this chapter.

Accordingly, the DM7020-S receiver cannot be marketed in the United States prior to it being approved in accordance with the FCC's Declaration of Conformity or certification procedures. It thus appears that DreamBox USA has violated Section 302(b) of the Act and Section 2.803 of the Rules by marketing in the United States a radio frequency device that is not authorized.

⁴ See Sections 2.906, 2.909 and 2.1071 through 2.1077 of the Rules, 47 C.F.R.§§ 2.906, 2.909, and 2.1071 through 2.1077.

³ See Sections 2.907, 2.911 and 2.913 of the Rules, 47 C.F.R. §§ 2.907, 2.911, and 2.913.

⁵ Letter from Kathryn S. Berthot, Deputy Chief, Spectrum Enforcement Division, Enforcement Bureau, Federal Communications Commission to One-O-One iSolutions, Inc. (October 2, 2006).

⁶ Letter from Christoph Goeltner, to Gabriel Collazo, Spectrum Enforcement Division, Enforcement Bureau, Federal Communications Commission (November 5, 2006).

If, after receipt of this citation, you violate the Communications Act or the Commission's rules in any manner described herein, the Commission may impose monetary forfeitures not to exceed \$11,000 for each such violation or each day of a continuing violation.

You may respond to this citation within 30 days from the date of this letter either through (1) a personal interview at the Commission's Field Office nearest to your place of business, or (2) a written statement. Your response should specify the actions that DreamBox USA is taking to ensure that it does not violate the Commission's rules governing the marketing of unauthorized radio frequency equipment in the future.

The nearest Commission Field Office is located in Buffalo, New York. Please call Gabriel Collazo at 202-418-1160 if you wish to schedule a personal interview. You should schedule any interview to take place within 30 days of the date of this letter. You should send any written statement within 30 days of the date of this letter to:

Kathryn Berthot Chief, Spectrum Enforcement Division Enforcement Bureau Re: EB-05-SE-174 Federal Communications Commission 445-12th Street, S.W., Rm. 3-C366 Washington, D.C. 20554

Under the Privacy Act of 1974, 5 U.S.C. § 552(a)(e)(3), we are informing you that the Commission's staff will use all relevant material information before it, including information that you disclose in your interview or written statement, to determine what, if any, enforcement action is required to ensure your compliance with the Communications Act and the Commission's rules.

The knowing and willful making of any false statement, or the concealment of any material fact, in reply to this citation is punishable by fine or imprisonment under 18 U.S.C. § 1001.

Thank you in advance for your anticipated cooperation.

Sincerely,

Kathryn Berthot Chief, Spectrum Enforcement Division Enforcement Bureau Federal Communications Commission

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⁷ See Section 1.80(b)(3) of the Rules, 47 C.F.R. § 1.80(b)(3).